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1	HUB LAW OFFICES ORIGINAL FILED Ford Greene, Esquire				
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3	San Anselmo, California 94960-1949 Telephone: (415) 258-0360	LOD ANOLLLO			
4	PAUL MORANTZ, ESQ.	SUPERIOR COURT			
5					
6	(310) 459-4745	REOCUMEN			
7	Attorneys for Defendants	RECEIVED			
8	GERALD ARMSTRONG and THE GERALD ARMSTRONG CORPORATION	MAY 2 2 1993			
9		HUB LAW OFFICES			
10					
11	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
12	IN AND FOR THE COUNTY OF LOS ANGELES				
13	CHURCH OF SCIENTOLOGY )	No. BC 052395			
14	INTERNATIONAL, a California ) not-for-profit religious )	DEFENDANT ARMSTRONG'S OPPOSITION TO MOTION FOR CLARIFICATION, OR, IN THE			
15	corporation;				
16	Plaintiffs,	ALTERNATIVE, TO REQUIRE POSTING OF AN UNDERTAKING; REQUEST FOR			
17	vs. )	SANCTIONS FROM PLAINTIFF AND			
18	GERALD ARMSTRONG; DOES 1	BOWLES AND MOXON; DECLARATION OF FORD GREENE 1/			
19	through 25, inclusive, )				
20	Defendants. )	Date: May 26, 1993 Time: 8:30 a.m.			
21	)	Dept: 30			
22	AND RELATED CROSS ACTION )	Trial Date: Vacated Discovery Cut Off: Stayed			
23	)	Motion Cut Off: Stayed			
24					
25					
26	Declaration of Ford Greene In Sup	port of Opposition To Motion For			
27	Clarification, and in compliance with Local Rule ¶ 256, Armstrong				
28	counsel, Bowles and Moxon, Laurie				
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# I. <u>INTRODUCTION</u>

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Scientology has filed a motion which it has dubbed as one for "clarification," or, in the alternative, requesting an order requiring Armstrong to post an undertaking pending appeal. This motion should be denied on both procedural and substantive grounds and sanctions should be awarded in Armstrong's favor. 1/

7 Despite the fact that the primary issue litigated before this 8 Court on Armstrong's motion for a stay of proceedings was whether 9 the injunction was prohibitory, mandatory, or prohibitory in form 10 while being mandatory in effect, Scientology seeks to relitigate 11 the Court's adverse determination to it, and for all practical 12 purposes seeks reconsideration of the issuance of the stay order 13 under the guise of a motion for so-called "clarification."

14 The motion for "clarification" has not been brought pursuant 15 to any authority. The reason for this omission becomes clear in light of what it seeks. The motion seeks an order either that the 16 17 stay which issued on March 23, 1993, does not apply to the 18 preliminary injunction which issued on May 28, 1992, or, if it 19 does, that the Court modify said stay order so as to require Armstrong to provide an undertaking in order to be entitled to the 20 21 In substance, the mechanism which Scientology employs is a stay. 22 motion for reconsideration which, if properly identified and 23 brought, would be predicated upon Code of Civil Procedure section 24 1008. Since the express terms of § 1008 would jurisdictionally

As set forth in more detail below, and in the
 Declaration of Ford Greene In Support of Opposition To Motion For
 Clarification, and in compliance with Local Rule ¶ 256, Armstrong
 will seek monetary sanctions against both plaintiff and its
 counsel, Bowles and Moxon, Laurie J. Bartilson appearing, in the
 amount of \$2,325.00.

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# Page 1.

preclude this Court from entertaining Scientology's instant motion, Scientology claims to seek "clarification" of the Court's stay order 50 days after it was issued and entered.

Furthermore, Scientology substantively fails to present any new, relevant facts, circumstances, or law which would justify a 5 modification of the Court's stay order, even if the Court had 6 7 jurisdiction for such reconsideration.

8 Finally, Scientology's motion should be denied because 9 Scientology has unclean hands. Scientology's counsel, despite her knowledge that Armstrong was represented by the undersigned 10 counsel, and despite Rule 2-100 of the Rules of Professional 11 Conduct which prohibits communications with a represented party, 12 wrote directly to Armstrong while Armstrong's counsel was on 13 14 vacation, provoking Armstrong's May 3, 1993, letter, upon which 15 the instant motion is in large part based.

For the foregoing reasons, Scientology's motion for 16 reconsideration should be denied. 17

18 II. SCIENTOLOGY'S MOTION FOR "CLARIFICATION" IS A MOTION FOR RECONSIDERATION, THE CONSIDERATION OF WHICH THIS COURT HAS NO JURISDICTION TO ENTERTAIN 19

> A. Since The Name Of The Motion Is Not Controlling, Scientology's Motion Is For Reconsideration Because It Asks This Court To Decide The Same Matter Previously Ruled On.

23 The name of a particular motion; e.g. calling the instant 24 motion one for "clarification," is not controlling. The statutory 25 requirements of C.C.P. § 1008 "apply to any motion that asks the 26 judge to decide the <u>same matter</u> previously ruled on." Weil & 27 Brown, <u>Civil Procedure Before Trial</u> (The Rutter Group 1992) at § 28 9:324.1, p. 9(I)-88.12 (hereinafter "Weil & Brown"). Thus, to the

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1 extent that the instant motion raises the same issues upon which 2 this court already ruled regarding the issuance of its stay order, 3 it is, in effect, a motion for reconsideration. <u>Curtin v. Koskey</u> 4 (1991) 231 Cal.App.3d 873, 878.

In order to determine whether or not the instant motion for "clarification" is, in fact, one for reconsideration, we must examine the issues litigated before the Court issued its order staying the proceedings herein pending appeal.

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B. Review Of Litigation On Armstrong's Motion For Stay

On March 17, 1993, pursuant to the Court's order which set an expedited briefing and hearing schedule, Armstrong filed his motion for a stay of proceedings. In the Notice to Armstrong's application for stay, he asserted the following:

"The grounds for this application are as follows:

"1. Since the injunction is mandatory in effect and since the appeal thereof embraces within its scope the legality of the contract upon which it is based, trial proceedings are subject to the automatic stay provisions of Code of Civil Procedure section 916 (a); <u>Paramount Pictures</u> <u>Corp. v. Davis</u> (1964) 228 Cal.App.2d 827, 835; <u>Hayworth v.</u> <u>City of Oakland</u> (1982) 129 Cal.App.3d 723, 727." <sup>2</sup>/

19 Thereafter, Scientology joined the issue whether or not the 20 injunction was prohibitory in form, but mandatory in effect, which 21 would be determinative of whether or not Armstrong's application 22 fell within the automatic stay provisions of Code of Civil 23 Procedure section 916 (a). <sup>3</sup>/

2 The Court is requested to review Armstrong's application 25 for stay of proceedings filed herein on March 17, 1993, in determining whether Scientology's instant motion is, in fact, one 26 for reconsideration.

27 <sup>3</sup> In part, Scientology stated, on page 7 of its Opposition to Armstrong's stay application, filed March 19, 1993, as follows: 28 "Armstrong also argues belatedly that these proceedings should be

At pages 4 through 6 of his reply in support of motion for stay, filed March 22, 1993, Armstrong continued to assert that the stay should be granted because the injunction was mandatory in effect, even though it was prohibitory in form. <sup>4</sup>/

In the Court's minute order entered March 23, 1993, it
granted Armstrong's motion for a stay pursuant to Code of Civil
procedure section 916 (a) specifically adopting in the body of its
Order language set forth in said section. (Exhibit A to
Scientology's moving papers in support of instant motion.)

In its instant motion, Scientology argues that the injunction 10 should not be stayed while the appeal is pending because the 11 12 injunction is prohibitory. (Motion for Clarification at pp. 8-13 10.) Thus, it is clear that the instant motion is one for 14 reconsideration of the Court's rejection of the same arguments when it issued its March 23 stay order, or a motion seeking that 15 the Court amend its stay order to condition the same on 16 17 Armstrong's posting of an undertaking.

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21 stayed because the Order is a 'mandatory' injunction, and C.C.P. §916(a) provides for an automatic stay in the case of 'mandatory' 22 injunctions. Armstrong is wrong here for two reasons: first, because the injunction is not mandatory, and second, because the only stay authorized by §916(a) is a stay of the injunction; by 23 its very terms 'the trial court may proceed on any other matter embraced in the action and not affected by the 24 . . . order.'" Armstrong requests that the Court consider this document in 25 its determination whether the instant motion is one which covertly seeks reconsideration in the guise of "clarification." 26

The Court is requested to review Armstrong's reply memorandum in support of motion for stay of proceedings, filed March 22, 1993, in determining whether Scientology's instant motion is, in fact, one for reconsideration.

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#### C. Scientology's Motion For Reconsideration Should Be Denied Because The Court Has No Jurisdiction To Entertain Such Motion

Since Scientology's motion for "clarification" is a motion for reconsideration, it must satisfy the requirements of C.C.P. § Weil & Brown, supra, at § 9:324, p. 9(I)-88.12. 1008.

In 1992 the legislature rewrote § 1008, the statute governing 6 7 motions for reconsideration. 5/ As amended in 1992, § 1008, in pertinent part, states that when a court issues an order, a "party 8 9 affected by the order" may bring an application to "reconsider 10 the matter and modify, amend, or revoke the prior order." Section 11 1008 is comprehensive in a jurisdictional sense, specifically requiring that such motions be made within 10 days after service 12 13 of notice of entry of the order on said party and based upon new or different facts, circumstances or law. 6/ 14

5 In the notes to the revised statutory provision, it is stated as follows: "The Legislature finds and declares the following: . . . In enacting Section 4 of this act, it is the intent (b)

of the Legislature to clarify that no motions to reconsider any order made by a judge or a court, whether that order is interim or final, may be heard unless the motion is filed within 10 days after service of the written notice of entry of the order, and unless based on new or different facts, circumstances or law. (C) In enacting Section 4 of this act, it is the further intent of the Legislature to clarify that no renewal of a previous motion, whether the order deciding the previous motion is interim or final, may be heard unless the motion is based on new or different facts, circumstances, or law. Inclusion (d) of interim orders within the application of section 1008 is desirable in order to reduce the number of motions to reconsider and renewals of previous motions heard by judges 25 in this state."

26 Code of Civil Procedure § 1008, in pertinent part "(a) states: When an application for an order has been made to 27 a judge, or to a court, and refused in whole or in part, or granted, or granted conditionally, or on terms, any party affected 28 (continued...)

It is clear that the issues Scientology is attempting to 1 2 litigate in the instant motion were already determined adversely 3 to it when the Court issued its stay order on March 23, 1993. Since Scientology failed to bring the motion within 10 days of the 4 issuance of the stay order, and has not alleged any new facts, 5 6 circumstances or law, it has failed to comply with the essential 7 requisites of § 1008, and, therefore, the motion for 8 "clarification" should be summarily denied without further consideration. City and County of San Francisco v. Muller (1960) 9 10 177 Cal.App.2d 600, 603.

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III.

# AN UNDERTAKING SHOULD NOT BE REQUIRED

Despite its failure to comply with the requirements of 13 § 1008, Scientology argues that the Court should modify its stay 14 Order by conditioning the issuance thereof on Armstrong's posting 15 of an undertaking in the amount of \$200,000.00. It has not 16 alleged any new facts in this regard. Indeed, all of the facts 17 that it has alleged in support of the instant motion, Scientology 18 already asserted in its papers wherein it sought an Order finding

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### <sup>6</sup>(...continued)

20 by the order may, within 10 days after service upon the party of written notice of entry of the order and based upon new or 21 different facts, circumstances, or law, make application to the same judge or court that made the order, to reconsider the matter 22 and modify, amend, or revoke the prior order. The party making the application shall state by affidavit what application was made 23 before, when and to what judge, what order or decisions were made, and what new or different facts, circumstances or law are claimed 24 to be shown. . . (e) This section specifies the court's jurisdiction with regard to applications for reconsideration of 25 its orders and renewals of previous motions, and applies to all applications to reconsider any order of a judge or court, or for 26 the renewal of a previous motion, whether the order deciding the previous matter or motion is interim or final. No application to 27 reconsider any order or for the renewal of a previous motion may be considered by any judge or court unless made according to this 28 section."

Armstrong to be in Contempt of Court. <sup>7</sup>/ All such facts were previously available to Scientology well in advance of the point in time when it opposed Armstrong's application for a stay. Indeed, with respect to such facts the Honorable Diane Wayne refused to hold a hearing on Scientology's Order to Show Cause re Contempt. Instead, she chose to wait for the appellate court's determination and stated:

Yes.

"THE COURT: Gentlemen. This case is on appeal?

this hearing prior to a determination whether or not this is

a valid order. I mean I have some serious questions about the validity of the order. And I'm not prepared to waste my time if it's going to be heard and apparently it's going to

It seems to me to be ridiculous to hold

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THE COURT: I mean it just seems like an inordinant [sic] waste of our time."

(Reporter's Transcript of Proceedings, March 5, 1993, at pp. 1-2, Exhibit H to Plaintiff's Opposition Memo. to Stay Motion filed March 19, 1993) Indeed, for a long time Armstrong has held and asserted the position that the preliminary injunction prohibits him only from "assisting" plaintiffs (who were not governmental entities) who are suing Scientology, and does not prohibit him from speaking out in the media at all. <sup>8</sup>/

be heard very soon [in the Court of Appeal]. . ..

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Thus, since Scientology has not come up with any new facts

In this regard please see: Scientology's Ex Parte
 Application For Order To Show Cause Why Gerald Armstrong Should
 Not Be Held In Contempt; Memorandum Of Points And Authorities;
 Declarations Of Laurie Bartilson And Kendrick L. Moxon And

MR. GREENE:

THE COURT:

Supporting Exhibits filed herein on December 31, 1992.
See, Defendant Armstrong's Memorandum In Opposition To
Order To Show Cause Re Contempt, filed February 24, 1993;
Defendant Armstrong's Memorandum In Opposition To Order To Show
Cause Re Contempt [Supplemental], filed February 25, 1993;
Defendant's Objections To Sufficiency Of Plaintiff's Affidavit In
Support Of Order To Show Cause Re Contempt, filed February 24, 1993;
Defendant Armstrong's Memorandum In Sur-Reply On Order To

Show Cause Re Contempt, filed March 3, 1993.

1	which it did not previously have at its disposal, it fails to
2	satisfy this prong of § 1008.
3	IV. SCIENTOLOGY'S MOTION SHOULD BE DENIED BECAUSE IT HAS UNCLEAN HANDS AS IT SET THE MOTION UP BY
4	HAVING ITS COUNSEL ENGAGE IN DIRECT AND UNAUTHORIZED COMMUNICATIONS WITH ARMSTRONG WHEN
5	HIS COUNSEL WAS ON VACATION.
6	The only "new fact" identified by Scientology in support of
7	the instant motion is a letter by Armstrong to Laurie J. Bartilson
8	dated May 3, 1993. What Scientology has not advised the Court in
9	its moving papers is that Armstrong's letter was the direct
10	response to a letter personally addressed to him by Laurie J.
11	Bartilson on April 28, 1993.
12	Therein, Ms. Bartilson, in contravention of Rules of
13	Professional Responsibility, Rule 2-100, <sup>9</sup> / wrote and faxed a
14	letter directly to Gerald Armstrong on April 28, 1993.
15	This letter stated:
16	"April 28, 1993
17	Gerald Armstrong C/O HUB LAW OFFICES 711 Sir Francis Drake Boulevard
18	San Anselmo, CA 94960-1949
19	BY TELEFAX AND U.S. MAIL
20	Re: Your Appearance on KFAX Radio
21	Dear Mr. Armstrong:
22	I have just been informed that you are scheduled to appear on KFAX radio in the San Francisco area at 5:00 p.m.
23	today on the "Life Line" show and that the topic to be discussed is the "inner workings of Scientology."
24	
25	
26	In pertinent part, said rule states: "(A) While representing a client, a member shall not communicate directly or
27	indirectly about the subject of the representation with a party the members knows to be represented by another lawyer in the
28	matter, unless the member has the consent of the other lawyer."
HUB LAW OFFICES Ford Greene, Esquire 711 Sir Francis Drake Blvd. San Anselmo, CA 94960 (415) 258-0360	Page 8. ARMSTRONG'S OPPOSITION TO MOTION FOR CLARIFICATION/UNDERTAKING

This letter serves to put you on notice that your appearance on this show as described would constitute a violation of the Settlement Agreement which you signed with the Church of Scientology International on December 6, 1986. You agreed on that date to forgo, inter alia, future media appearances, in exchange for a substantial sum of money. Specifically, such an appearance would be a violation of paragraph 7D of the Agreement and will subject you to the liquidated damages provision in that paragraph. Should you appear on this radio show in violation of the Agreement, the Church of Scientology International will pursue all remedies within the judicial system to obtain damages for the violation and/or to enjoin any future violations of a similar nature. It is my sincere hope and expectation that no one will attempt to induce you to further breach your contractual obligations to the Church of Scientology International by permitting you to appear as scheduled. Very truly yours, Laurie J. Bartilson cc: Ford Greene (BY TELEFAX) Andrew H. Wilson (BY TELEFAX) Legal Director, KFAX Radio (BY TELEFAX)" (Exhibit A to Declaration of Ford Greene ["Greene Decl."] At this time Greene was on vacation in New Orleans, Louisiana. On May 3, 1993, without Greene's knowledge or consent, Armstrong replied directly to Bartilson. (Greene's Decl.) It is this response to Bartilson's violation of the Professional Rules which is being used to justify the instant motion. (See Scientology's Memo. in Support at 1:15-21) Therefore, based upon the above violation, which is tied directly to the instant motion, the motion should be denied because Scientology has unclean hands. By bypassing Armstrong's

counsel while he was on vacation and writing directly to Armstrong

in violation of the Professional Rules, Bartilson provoked the

response which is now used as the basis for the instant motion.

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1 Thus, Armstrong's written response thereto cannot be used against
2 him because to do so would violate Civil Code section 3517. <sup>10</sup>/

The clean hands doctrine bars a party from relief if the 3 party has engaged in any unconscientious conduct directly related 4 5 to the transaction before the court. DeRosa v. Transamerica Title and Ins. Co. (1989) 213 Cal.App.3d 1390, 1397; Burton v. Sosinski 6 7 (1988) 203 Cal.App.3d 562, 573. The doctrine of unclean hands is 8 not restricted to defense of suits in equity, but also applies to suits at law, because the distinction between law and equity has 9 10 been abolished in California. Pond v. Insurance Company of North 11 America (1984) 151 Cal.App.3d 280, 290; Fibreboard Paper Products 12 Corp. v. East Bay Union of Merchants (1964) 227 Cal.App.2d 675, 13 728. Where unclean hands is found, it operates as an absolute bar 14 to the moving party's ability to obtain a remedy.

The [unclean hands] rule is settled in California that whenever a party who, as actor, seeks to set judicial machinery in motion and obtain some remedy, has violated conscience, good faith or other equitable principles in his prior conduct, then the doors of the court will be shut against him in limine; the court will refuse to interfere on his behalf to acknowledge his right, or to afford him any remedy."

Pond, supra, 151 Cal.App.3d at 290.

The moving party's improper conduct must have directly "infected" the actual matter before the court, and must not merely be unrelated conduct from the past. <u>Ibid</u>. The conduct must relate "to the transaction concerning which the complaint is made; i.e., it must pertain to the very subject matter involved and affect the equitable relations between the litigants."

<sup>10</sup> This section states that "No one can take advantage of 28 his own wrong."

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Fibreboard, supra, 227 Cal.App.2d at 728. The misconduct need 1 only be unconscientious, not fraudulent, to give rise to the 2 3 unclean hands rule. <u>DeRosa</u>, <u>supra</u>, 213 Cal.App.3d at 1395; Pond, supra, 151 Cal.App.3d at 291. In Pond, the court explains: 4 The equitable principles underlying the clean hands doctrine 5 do not require a finding that [moving party] was guilty of perjury, concealment, or other illegal conduct '[f]or it is 6 not only fraud or illegality which will prevent a suitor from 7 obtaining equitable relief. Any unconscientious conduct upon his part which is connected wiiththe controversy will repel him from the forum whose very foundation is good conscience.' 8 [citations omitted.] 9 151 Cal.App.3d at 291 (Emphasis added.) 10 Therefore, Bartilson's violation of the Professional Rules is 11 alone sufficient reason to bar the motion, which is moreover, for 12 the reasons discussed above, frivolous and without merit. 13

Furthermore, an order imposing an undertaking would be inappropriate on this basis because the injunction does not prevent or prohibit Armstrong from speaking out publicly on Scientology. 11/ This is the sole ground that Scientology can assert in justification of its request for the imposition of an undertaking which was unavailable to it at the time the stay 19 motion was litigated.

11 21 The Court should note, however, that Scientology did seek, but was unable to obtain, injunctive relief which would 22 prevent Armstrong from making media appearances in alleged violation of the agreement. In its Renewed Notice Of Motion And 23 Motion For Preliminary Injunction signed April 13, 1992 and filed herein, Scientology sought to enjoin" defendants Gerald Armstrong ("Armstrong") and all others acting in concert or participation 24 therewith, or any of them, from violating any and all provisions 25 of the settlement agreement entered into by the Church and Armstrong in December of 186 . . . " Such injunctive relief, 26 however, did not issue. The Court should also note the misrepresentation of Scientologist Attorney Bartilson that "Judge 27 Sohigian's order simply did not address Armstrong's media appearances and interviews in violation of the Agreement . 28 (Moving Memo. at fn 3, p. 2.)

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Therefore, there are no new facts or circumstances that
 Scientology can assert in support for its covert motion for
 reconsideration. <sup>12</sup>/ If the motion were explicit, as required by

<sup>12</sup> Once again Scientology has indulged its apparently
<sup>12</sup> Once again Scientology has indulged its apparently
<sup>13</sup> irresistible penchant for duplicity in judicial proceedings.
<sup>14</sup> Scientology has stated that it knew nothing of Armstrong's media
<sup>15</sup> appearance before it obtained the preliminary injunction. This is
<sup>16</sup> false. Indeed, Scientology even attempted to have Armstrong found
<sup>17</sup> in contempt for such alleged violations by participating in free
<sup>18</sup> speech and free press activities.

8 In its moving papers it states "Evidence of many additional violations of the Agreement, including evidence of Armstrong's media appearances, was not available to the Church until after the 9 hearing on the preliminary injunction was held. Armstrong deliberately avoided appearing for deposition until after the 10 Injunction had issued. [Dec. of Laurie J. Bartilson, ¶¶ 2-3.] Hence, Judge Sohigian's order simply did not address Armstrong's 11 media appearances and interview in violation of the Agreement, but Thereafter, concerned the provision of aid to adverse litigants. 12 the Church amended its complaint to detail additional breaches, admitted by Armstrong, including interviews with reporters for 13 Cable Network News and The American Lawyer, as well as the 14 provision of aid to still more litigants and their attorneys." (Memo. in Support at fn. 3, pp. 2-3.)

On March 25, 1992, Scientologist Attorney Laurie J. Bartilson executed her "Declaration of Laurie J. Bartilson In Support Of Application For Order To Show Cause Why Gerald Armstrong And Ford Greene Should Not Be Held In Contempt Of Court." (Exhibit B to Greene Decl.) In part, Bartilson's declaration stated, as follows:

"11. On March 20, 1992, upon the conclusion of the hearing 18 before this Court, Mr. Armstrong immediately violated the TRO. As 19 soon as the proceedings had adjourned, I observed Mr. Armstrong and Mr. Greene speaking with reporters in the hallway of the 20 courthouse. The reporters included, inter alia, Don Nabb of the Cable Network News ("CNN") and Alex Neill of the Marin Independent Journal. I heard Mr. Armstrong tell those reporters that he 21 believed that he had a right to "respond" publicly to the charges 22 which the Church had levied against him by violating the provisions of the settlement agreement that is at issue in this litigation. 23

"12. On the evening of March 20, 1992, and continuing thereafter on March 21, 1992, CNN periodically broadcast a segment concerning this action and the proceedings of March 20, 1992. A true and correct transcription of that segment is attached hereto as Exhibit F.

26 "13. CNN broadcast portions of an interview with Mr. Armstrong in which he states: "I'm an expert in the misrepresentations [L. Ron] Hubbard has made about himself from the beginning of Dianetics until the day he died. Ex. F; Ex. G, (continued...)

the California Rules of Court, Ms. Bartilson would have included 1 Code of Civil Procedure § 1008 in the notice of motion and would 2 not have "inadvertently" neglected to include a copy of her own 3 unauthorized communication with Armstrong as Exhibit K to her 4 5 client's motion for "clarification."

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# MONETARY SANCTION SHOULD BE AWARDED AGAINST SCIENTOLOGY FOR BRINGING A MERITLESS AND FRIVOLOUS MOTION

Pursuant to Code of Civil Procedure section 128.5, Armstrong seeks an Order compelling Scientology to may monetary sanctions to Armstrong for bringing a motion that is either frivolous, brought 10 for the sole purpose of harassing Armstrong, or both. Frivolous 11 means (a) "totally and completely without merit," or (b) "for the 12 sole purpose of harassing an opposing party." Code cf Civil 13 Procedure section 128.5 (b) (2). A motion is "frivolous" and made 14 in "bad faith" where "any reasonable lawyer would agree that it is 15 totally devoid of merit;" e.g. lacking any basis in statutory or 16

<sup>12</sup>(...continued)

Later in the CNN segment, Mr. Greene states, "It'll be p. 1. 18 extremely damaging because Scientology has spent a whole ton of dough on not only keeping Gerry silent but a lot of other people 19 silent. And if Gerry's case unravels, it's the first domino, and all the rest of them are going to unravel." Ex. F, p. 3." 20 "14. Mr. Armstrong's statements, broadcast by CNN, accuse Mr. . . . " Hubbard of fraud,

"16. On March 21, 1992, a story appeared in the Marin County 21 Independent Journal titled, "Marin Judge Orders Scientology Suit 22 Moved." A true and correct copy of that article is attached hereto as Exhibit G. In that article, Mr. Armstrong is quoted by 23 the reporter, Mr. Neill, as saying that "he initially abided by the settlement provision that mandated he not speak about his 24 experiences in the church" but later deliberately decided to breach that provision of the Agreement. Ex. G.

25 "17. Mr. Armstrong's statements to Mr. Neill demonstrate that Mr. Armstrong's violations of the Agreement and the TRO were 26 wilful, deliberate and intentional."

The foregoing statements made by Scientologist Attorney 27 Laurie J. Bartilson expose the lie of her statement to this Court that Scientology did not know of Armstrong's media contacts prior to the hearing on the preliminary injunction. 28

case law, or without the necessary evidence to support it.
 <u>Karawasky v. Zachay</u> (1983) 146 Cal.App.3d 679, 681.

Moving for reconsideration of a matter previously ruled upon 3 without complying with the statutory requirements governing 4 reconsideration is a proper basis upon to award sanctions for 5 bringing a frivolous motion. Fegeles v. Kraft (1985) 168 6 In Fegels, plaintiffs brought essentially the 7 Cal.App.3d 812. same motion to transfer three times. Although the motion was not 8 entitled as one for reconsideration, on appeal the Second District 9 noted the "conspicuous absence of compliance with Code of Civil 10 11 Procedure section 1008 . . . " Id. at 814. Although the court of appeal remanded the cause back to the trial court, the reason 12 therefore was not because the trial court had erred in determining 13 14 that sanctions were appropriate, but because it failed to make sufficiently detailed findings justifying the order. 15

Sanctions should be imposed in the case at bar. Scientology has completely disregarded the 10-day rule. In addition, it has cited no facts which it didn't already have at its disposal. Further, and most illustrative of Scientology's bad faith, is its effort to exploit its counsel's violation of Professional Rule 2-100 by communicating directly with Armstrong into the basis for bringing the motion by provoking Armstrong's response.

Such conduct should be punished. Armstrong's counsel spent seven and one-half hours reviewing the instant motion, researching authority for the opposition thereto, and drafting the opposing papers. Counsel will additionally incur approximately an hour to review Scientology's reply brief and to prepare for the hearing on the matter, four hours of travel time and one hour at the hearing.

Counsel bills out his services in cult-related litigation in the amount of \$200.00 per hour (\$75.00 per hour for travel time) for a total of \$2,325.00.

In an effort to cause Scientology to withdraw its motion, a copy of this opposition was provided to Scientology by telecopier on May 17, 1993. A copy of the letter from Armstrong's counsel to Bartilson is attached as Exhibit C to Greene's Declaration. Scientology has decided, however, to proceed with its misguided exercise in judicial folly.

# 10 VI. CONCLUSION

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Based upon the foregoing factual points and legal authorities, defendant Gerald Armstrong respectfully submits that Scientology's motion for clarification, or for the modification of the stay order so as to be predicated on Armstrong's posting of an undertaking, should be denied.

16 DATED: May 17, 1993

HUB LAW OFFICES

By

FORD GREENE & PAUL MORANTZ Attorneys for Defendants GERALD ARMSTRONG and THE GERALD ARMSTRONG CORPORATION

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	$\sim$
1	PROOF OF SERVICE
2	I am employed in the County of Marin, State of California. I
3	am over the age of eighteen years and am not a party to the above
4	entitled action. My business address is 711 Sir Francis Drake
5	Boulevard, San Anselmo, California. I served the following
6	documents: DEFENDANT ARMSTRONG'S OPPOSITION TO MOTION FOR
7	CLARIFICATION, OR, IN THE ALTERNATIVE, TO REQUIRE POSTING OF AN UNDERTAKING; REQUEST FOR SANCTIONS
8	FROM PLAINTIFF AND BOWLES AND MOXON; DECLARATION OF FORD GREENE IN OPPOSITION TO MOTION FOR
9	CLARIFICATION, OR, IN THE ALTERNATIVE, TO REQUIRE POSTING OF AN UNDERTAKING AND IN SUPPORT OF REQUEST
10	FOR SANCTIONS; PROPOSED ORDER
11	on the following person(s) on the date set forth below, by placing
12	a true copy thereof enclosed in a sealed envelope with postage
13	thereon fully prepaid to be placed in the United States Mail at
14	San Anselmo, California:
15	Andrew Wilson, Esquire By Fax WILSON, RYAN & CAMPILONGO
16	235 Montgomery Street, Suite 450 San Francisco, California 94104
17	LAURIE J. BARTILSON, ESQ. Bowles & Moxon By Fax
18	6255 Sunset Boulevard, Suite 2000 Los Angeles, California 90028
19	PAUL MORANTZ, ESQ.
20	P.O. Box 511 Pacific Palisades, CA 90272
21	
22	<pre>[x] (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.</pre>
23	
24	[x] (State) I declare under penalty of perjury under the laws of the State of California that the above
25	is true and correct.
26	DATED: May 17, 1993
27	
28	
HUB LAW OFFICES Ford Greene, Esquire 711 Sir Francis Drake Blvd. San Anselmo, CA 94960 (415) 250 260	Page 16
(415) 258-0360	Page 16. ARMSTRONG'S OPPOSITION TO MOTION FOR CLARIFICATION/UNDERTAKING